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SUBJECT: WEEKLY MEDIA WRAP-UP: HAMAS ON THE BRINK OF CIVIL WAR; LE PEN AND THE NATIONAL FRONT; IRAN PLAYING THE EURO AGAINST THE DOLLAR. DECEMBER 22, 2006.

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Sensitive but unclassified. Please protect accordingly.

SUMMARY

11. (SBU) The threat of civil war in Gaza and Palestinian President Abbas's proposal for new elections led to speculation about the Middle East as a spawning ground for civil strife. France's National Front leader Jean-Marie Le Pen received widespread attention in the context of an alleged "softer" policy line. As Iran demanded that its exports be purchased in euros, commentators tried to shed light on Iran's motivations. End Summary.

HAMAS: CIVIL WAR IN THE MAKING IN GAZA

- 12. (SBU) Editorialist Pierre Haski contended in left-wing Liberation that the "injured and the dead in Gaza were the symbols of what was turning out to be a civil war that would spare no one." Haski argued that Mahmoud Abbas's plan for anticipated elections "served to trigger new violence" and that "the reigning confusion could not help guarantee free and fair elections." Haski concluded that "Abbas's 'diktat' was probably one last attempt to bluff Hamas into yielding." But Haski also warned that "if Abbas's argument does not work, the only way to separate the two rival currents, Hamas and Fatah, will be with weapons." Haski called for help from the international community "to stop a civil war, the most serious of the many threats the Palestinians have had to endure in the past forty years." In Catholic La Croix, Dominique Quinio argued that "the fratricidal war raging between Hamas and Fatah confines the Palestinians to a dead-end situation." For Patrice Chabanet in regional Le Journal de la Haute Marne, "the renewed cycle of violence in Gaza is proof that once again the international community is incapable of bringing peace to the region, with a powerless Europe watching and America too preoccupied with Iraq."
- 13. (SBU) In regional La Montagne, Alexandre Morel argued that "more than a risk for world peace, the Middle East is today a cauldron of endless civil wars which turned the myth of an Arab nation into an illusion." In regional Sud Ouest, Patrick Berthomeau decried the widespread notion that the Palestinian-Israeli conflict was "the cause of all confrontation in the Middle East." Instead Berthomeau pointed to "sectarian confrontation" in the Arab-Muslim world as "generating local wars" and triggering "new and unpredictable alliances with unforeseeable consequences for regional stability."

## A KINDER, GENTLER LE PEN FOR THE ELECTION YEAR??

- ¶4. (SBU) Left-wing Liberation proclaimed that "despite attempts by his daughter to portray Jean-Marie Le Pen in a softer light, he has not changed." But in right-of-center weekly Le Point, Christophe Ono-dit-Biot concluded that "Marine Le Pen, the National Front Party's campaign strategy manager, is close to winning her wager and normalizing the image of the party." In popular right-of-center France Soir, Maud Guillaumin asserted that "more than just a mere change, the National Front has undergone a 'mutation.'" Left-wing Liberation insisted that the National Front was simply "revamping old stuff," and that Jean-Marie Le Pen wanted to "position himself at the center of the political spectrum, without giving up on his basic anti-Semitism." Editorialist Jean-Michel Thenard commented in left-wing Liberation on Le Pen's "gentrification" and on Le Pen's "new, cautious and non-provocative anti-Semitic stance." Thenard warned, however, that "behind the face-lift" orchestrated by his daughter, "Le Pen's extremism remains unchanged" and warned about the dangers of "turning Le Pen into a household word" in a landscape where Sarkozy "shifted to the right and Le Pen to the center."
- 15. (SBU) Left-leaning television personality Serge Moati of France 5 TV recently devoted his talk show "Ripostes" to Le Pen. Soon thereafter, Le Pen's Internet site claimed that the show's audience rating had doubled, thanks to Le Pen's performance. Other commentators criticized Moati for having conducted the interview "with empathy" and for having avoided controversial questions about Le Pen's previous comments about the Holocaust having been "a detail of history." In an interview in right-of-center Le Point, Moati argued that "previous attempts to demonize Le Pen had failed to stem the phenomenon," and concluded: "We either outlaw the movement or we don't. If we don't, then we have a democratic obligation to interview Le Pen." Moati agreed that "Le Pen's ideas were dangerous," but insisted that "closing one's eyes to French reality was also dangerous."

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16. (SBU) A poll conducted for left-of-center Le Monde on December 15 indicated that "more people are adhering to Le Pen's ideas" and that his daughter had succeeded in "un-demonizing" Le Pen. Left-wing Liberation asked whether "more people in France are rallying Le Pen's camp because they agree with him and the National Front or because he has been sweeping his provocations under the carpet," and warned against "making too much of the 'Le Pen effect.'" Christophe Forcari, in his analysis in left-wing Liberation, explained that voter intentions, "which was what counts," was lower, "between 10 and 11 percent" although "growing steadily." But Forcari also warned that Le Pen could "definitely" find himself in the run-off. Despite this projection, Guillaume Tabard predicted in right-of-center Le Figaro that, contrary to what happened five years ago, "Sarkozy and Royal had more to fear from a first round without Le Pen than from a threat of the National Front being present in the run off."

## IRAN AND THE POLITICS OF CURRENCY EXCHANGE RATES

17. (SBU) On Monday Le Figaro Economie led with Iran's threat "to end its dependence on the dollar." Delphine Minoui argued that while "this threat could be interpreted as a response to U.S. pressures, other countries are also looking to reduce their dependence on the dollar," among them Russia and China. La Tribune concurred in its editorial that "the real danger for the U.S. currency lies in others following suit behind Iran, not for reasons of anti-Americanism, but because of real economic concerns." In right-of-center weekly magazine Le Point, Mireille Duteil analyzed Ahmadinejad's recent posturing towards Israel and the U.S. and concluded that "by opposing the U.S., Ahmadinejad hoped to rally support from a world supposedly tired of America's superpower. His decision on December 18 to get Iran's oil exports paid in euros fits this logic. While the fall of the dollar could explain such a move, the fact is that

Iran already sells 57 percent of its oil in euros." Duteil concluded that "Ahmadinejad's decision was a political response to Washington, which has been pressuring American banks, but also Arab banks in the Gulf, to refuse loans to Iran and Iranian businesses."

18. (SBU) In left-wing Liberation, Laurent Mauriac interviewed American financial analyst Michael Malpede who argued that "the idea initiated by Tehran could be the beginning of a new worldwide trend among OPEC nations." Malpede was also quoted as saying that, in his view, "the announcement was not triggered by political reasons." But he also warned that for OPEC nations "such a move would be like shooting themselves in the foot." Malpede nevertheless concluded that the shift away from dollars "could be gradual." HOFMANN